GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Works – Municipal Corporation, Nellore – Comprehensive Water Supply Improvement Scheme in Nellore Municipal Corporation with Penna River as Source (Sangam Anicut) with an estimated cost of Rs.529.24 Crore - Administrative Sanction – Accorded - Orders –Issued.

MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (C) DEPARTMENT

G.O.MS.No. 143 Dated:17.06.2015

Read the following:-

1. From the Engineer-in-Chief, (PH), Hyderabad, Lr.No.10/T4/ A3/ NLR/ WS/ HUDCO/2014, Dt.21.07.2014.
2. From the Commissioner and Director of Municipal Administration (FAC), Hyderabad, Lr.Roc.No.10578/2014-M3, Dt.06.08.2014.
3. From the Commissioner, Municipal Corporation, Nellore, Lr.Roc.No.NMC/E1/WS/HUDCO/2014-15, Dt.14.11.2014 & 22.12.2014.
4. From Jt. Secretary, MoUD, GoI, D.O.Lr.No.Q-14014/10/2014-CPHEEO, Dt.26.03.2015 & 30.03.2015.
5. Government Lr.No.11535/C2/2014-6, MA&UD (C) Department, Dt.09.04.2015 addressed to Executive Director, HUDCO, Hyderabad Regional Office.
6. From the HUDCO, Hyderabad Regional Office, Loan Sanction Letter No.HUDCO/HRO/NMC/20761/2015/124, Dt.15.04.2015.
7. From the Engineer-in-Chief (PH), Hyderabad, Lr.No.10/T4/A3/NLR-WSIS/2015-16, Dt.27.05.2015.

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ORDER:

Having regard to the circumstances reported in the references 1st to 4th read above, Government vide letter 5th read above, have addressed the Executive Director, HUDCO, Hyderabad Regional Office, informing that the GoAP will stand as a Guarantor for 90% of the Comprehensive Water Supply Improvement Scheme in Nellore Municipal Corporation for Rs.476.31 Crore against the total capital cost of the Project for Rs.529.24 Crore to be taken up under HUDCO Assistance, subject to the condition that the loan will be entirely serviced by the Nellore Municipal Corporation.

2. Whereas, the HUDCO in its letter 6th read above has conveyed sanction of loan of Rs.475.00 Cr. to the Municipal Corporation, Nellore for the proposed scheme, subject to certain Terms and Conditions.

3. And whereas, the Engineer-in-Chief (PH), Hyderabad in the letter 7th read above has stated that the project has been proposed to be taken up in two packages and to be completed in 3 years. The package wise details of the project are as follows:-

Sl.No.	**Description of Work**	**Estimated Cost (in Rs. Crore)**
Package I	Construction of Intake well at Sangam Anicut, Raw water transmission main, Construction of WTP and Gravity main including electro mechanical works and other allied works etc., complete.	**219.72**
Package II	Providing DI Transmission Manis from Sri Irrukalala Parameswari Devi temple to various ELSRs in the city, Construction of New ELSRs & Other allied works.	**309.52**
	Total	**Rs.529.24 Crore**

4. The Engineer-in-Chief (PH), Hyderabad has therefore, requested the Government to accord Administrative sanction for the above two packages under EPC system with the following method of financing:-

Sl. No.	Name of the Work/Package	Rs. in Crore		
		Source of funding		Total
		Loan by HUDCO	GOAP Grant / ULB Contribution	
1	**Package I:** Construction of Intake well at Sangam anicut, Raw water transmission main, Construction of WTP and Gravity main including Electro Mechanical works and other allied works etc., complete.	197.00	22.72	219.72
2	**Package II:** Providing DI transmission Mains form Sri Irrukalala Parameswari Devi Temple to various ELSRs in the city, construction of New ELSRs & Other allied works.	278.00	31.52	309.52
	Total	**475.00**	**54.24**	**529.24**

5. Government after careful examination of the matter, hereby accord administrative sanction for Comprehensive Water Supply Improvement Scheme in Nellore Municipal Corporation with Penna River as Source (Sangam Anicut) with an estimated cost of Rs.529.24 Crore (Rupees Five hundred twenty nine crore and twenty four lakh only) with the following conditions:-

(i) Method of Finance:

Sl. No.	Name of the Work/Package under EPC system	Rs. in Crore		
		Source of Funding		Total
		Loan by HUDCO	ULB Contribution	
1	**Package I:** Construction of Intake well at Sangam anicut, Raw water transmission main, Construction of WTP and Gravity main including Electro Mechanical works and other allied works etc., complete.	197.00	22.72	219.72
2	**Package II:** Providing DI transmission Mains form Sri Irrukalala Parameswari Devi Temple to various ELSRs in the city, construction of New ELSRs & Other allied works.	278.00	31.52	309.52
	Total	**475.00**	**54.24**	**529.24**

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(ii) **Budgetary support will not be provided as** Government standing Guarantee is an eventual liability and it is obligatory on the part of Government only in case the ULB becomes a defaulter. The Government of Andhra Pradesh will stand as a Guarantor for 90% of the total capital cost which come to Rs.476.31 Crore or the loan sanctioned by the Funding Agency whichever is less. Thus, the loan will be entirely serviced by the Nellore Municipal Corporation only;

(iii) The Commissioner, Municipal Corporation, Nellore shall take necessary action for fulfillment of the Terms and Conditions as framed by the Funding Agency (HUDCO), duly informing the said condition to the Funding Agency (HUDCO) for obtaining necessary clearances / change of relevant conditions, accordingly; and

(iv) The Engineer-in-Chief (PH), Hyderabad shall take up the work and complete within scheduled time and handover to the ULB for Operation and Maintenance.

6. The Engineer-in-Chief (PH), Hyderabad and the Commissioner, Municipal Corporation, Nellore shall take necessary action, accordingly.

7. This order issues with the concurrence of Finance (EBS.VII.MA&F) Department vide their U.O.No.131-PFS/010/A1/EBS.VII-MA&F/2015, Dt.12.02.2015.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

GIRIDHAR ARAMANE
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner, Municipal Corporation, Nellore.
The Engineer-in-Chief (PH), Hyderabad.
Copy to:
The Commissioner & Director of Municipal Administration, A.P., Hyderabad.
The Executive Director, HUDCO, Hyderabad Regional Office, HACA Bhavan, Hyderabad.
The Joint Secretary, Government of India, Ministry of Urban Development, Nirman Bhavan, New Delhi-110011.
The PS to Minister for Urban Development, Government of India, Nirman Bhavan, New Delhi-110011.
The PS to Prl. Secretary to CM (PSSC).
The PS to M(MA&UD).
The PS to Prl. Secretary to Government, MA&UD Department.
The Finance (EBS.VII.MA&F) Department.
SC/SF

//Forwarded :: By Order//

SECTION OFFICER